



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 10
1200 Sixth Avenue, Suite 155
Seattle, WA 98101-3188

JAN - 7 2020

**ENFORCEMENT &
COMPLIANCE
ASSURANCE DIVISION**

Reply To: 20 – C04

CERTIFIED MAIL — RETURN RECEIPT REQUESTED

Mr. Scott Ricks
President
Alta Mesa Services, LP;
Northwest Gas Processing, LLC; and
High Mesa Services, LLC
15021 Katy Freeway, Suite 400
Houston, Texas 77094

Re: Notice and Finding of Violation
Alta Mesa Services, LP; Northwest Gas Processing, LLC; and High Mesa Services, LLC
Houston, Texas

Dear Mr. Ricks:

The U.S. Environmental Protection Agency is issuing the enclosed Notice and Finding of Violation (“NOV/FOV”) to Alta Mesa Services, LP, Northwest Gas Processing, LLC, and High Mesa Services, LLC (collectively “Alta Mesa” or “you”) under Section 113(a)(1) and (3) of the Clean Air Act, 42 U.S.C. § 7413(a)(1) and (3). We find that you are violating certain permits issued under the Idaho State Implementation Plan (“SIP”) and the Standards of Performance for Crude Oil and Natural Gas Production, Transmission, and Distribution for which Construction, Modification, or Reconstruction Commenced After August 23, 2011 found in 40 C.F.R. Part 60, Subpart OOOO, as well as the Standards of Performance for Crude Oil and Natural Gas Facilities for which Construction, Modification, or Reconstruction Commenced After September 18, 2015, Subpart OOOOa, at the Little Willow Road Gathering Station located at 4649 Little Willow Road, New Plymouth, Idaho, and the Northwest Gas Processing Facility located at 4303 Highway 30 South, New Plymouth, Idaho.

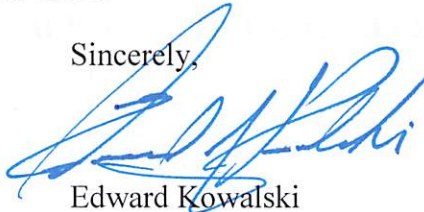
Section 113 of the Clean Air Act gives us several enforcement options. These options include issuing an administrative compliance order, issuing an administrative penalty order and bringing a judicial civil or criminal action.

We are offering you an opportunity to confer with us about the violations alleged in the NOV/FOV. The conference will give you an opportunity to present information on the specific findings of violation, any efforts you have taken to comply and the steps you will take to prevent future violations. In addition, in order to make the conference more productive, we encourage you to submit to us information responsive to the NOV/FOV prior to the conference date.

Please plan for your facility's technical and management personnel to attend the conference to discuss compliance measures and commitments. You may have an attorney represent you at this conference.

The EPA contact in this matter is Victoria Nelson. You may contact Ms. Nelson at (312) 886-9481 or by email at nelson.victoria@epa.gov, to request a conference. If you choose to have an attorney request a conference on Alta Mesa's behalf, your attorney may contact Robert Peachey in EPA's Office of Regional Counsel at (312) 353-4510 or by email at peachey.robert@epa.gov. You should make the request within 10 calendar days following receipt of this letter. We should hold any conference within 30 calendar days following receipt of this letter.

Sincerely,



Edward Kowalski
Director

Enclosure

cc: Steve Bacom
Idaho Department of Environmental Quality

Diane Kassab
Alta Mesa Services, LP

The Idaho SIP

3. Pursuant to Section 110(a)(1) of the CAA, 42 U.S.C. § 7410(a)(1), each state is responsible for adopting and submitting to EPA for approval an implementation plan that provides for the implementation, maintenance, and enforcement of National Ambient Air Quality Standards (“NAAQS”) for particular pollutants, including ground-level ozone.

4. Under Section 110(a)(2) of the CAA, 42 U.S.C. § 7410(a)(2), each SIP must include enforceable emissions limitations and other control measures, means, or techniques, as well as schedule for compliance, as may be necessary to meet applicable requirements, and must include a permit program to provide for the enforcement of these limitations, measures, and schedule as necessary to assure the NAAQS are achieved. Upon EPA’s approval of a SIP, the plans become independently enforceable by the federal government, as stated under Section 113(a)(1) of the CAA, 42 U.S.C. § 7413(a)(1).

5. EPA has approved various provisions of the Idaho Administrative Procedures Act (“IDAPA”) as part of the Idaho SIP, including IDAPA § 58.01.01.200 through 222. *See* 40 C.F.R. § 52.670(c).

The New Source Performance Standards and NSPS Subpart OOOO

6. Section 111 of the CAA, 42 U.S.C. § 7411, requires EPA to implement a New Source Performance Standards (“NSPS”) program for the control of air pollutant emissions. NSPS regulations impose nationally uniform emission standards for new or modified stationary sources falling within industrial categories that significantly contribute to air pollution.

7. In 2012, EPA promulgated NSPS regulations for the crude oil and natural gas production, transmission, and distribution industry sector, which were codified at Subpart OOOO. 77 Fed Reg. 49,542 (Aug. 16, 2012). EPA has reconsidered and revised certain provisions of Subpart OOOO. *See, e.g.*, 78 Fed Reg. 58,416 (Sept. 23, 2013); and 79 Fed Reg. 79,037 (Dec. 31, 2014).

8. Subpart OOOO establishes emission standards for the control of volatile organic compounds (“VOC”) and sulfur dioxide emissions from various types of oil and natural gas production, processing, transmission, storage, and distribution equipment constructed, modified, or reconstructed after August 23, 2011, and on or before September 18, 2015, including storage vessels.

9. Subpart OOOO, at 40 C.F.R. § 60.5430, defines “storage vessel” as a tank or other vessel that contains an accumulation of crude oil, condensate, intermediate hydrocarbon liquids, or produced water, and that is constructed primarily of non-earthen materials (such as wood, concrete, steel, fiberglass, or plastic) which provide structural support.

10. Among other things, Subpart OOOO addresses two classes of storage vessels: (i) those that began to be constructed, reconstructed or modified after August 23, 2011, and on or before April 12, 2013 (called “Group 1 storage vessels”); and (ii) those that began to be constructed, reconstructed or modified after April 12, 2013, and on or before September 18, 2015 (called “Group 2 storage vessels”). 40 C.F.R. § 60.5430.

11. A Group 1 or Group 2 storage vessel is an affected facility subject to Subpart OOOO requirements if a properly performed emission determination indicates that the storage vessel has the potential for VOC emissions equal to or greater than six (6) tons per year. 40 C.F.R. § 60.5365(e). A storage vessel meeting these criteria is defined as a “storage vessel affected facility.”

12. A storage vessel affected facility that subsequently has its potential for VOC emissions decrease to less than six (6) tons per year shall remain an affected facility under Subpart OOOO. 40 C.F.R. § 60.5365(e)(2).

13. The potential for VOC emissions from a storage vessel must be calculated using a generally accepted model or calculation methodology, based on the maximum average daily throughput determined for a 30-day period of production prior to the applicable emission determination deadline specified in 40 C.F.R. § 60.5365. For Group 1 storage vessels, the applicable emission determination deadline was October 15, 2013. For Group 2 storage vessels, the applicable emission determination deadline was April 15, 2014, or 30 days after startup (whichever was later). 40 C.F.R. §§ 60.5365(e), 60.5410(h)(1).

14. In calculating the potential VOC emissions from a storage vessel, the determination may take into account requirements under a legally and practically enforceable limit in an operating permit or other requirement established under a Federal, State, local or tribal authority. *See* 40 C.F.R. § 60.5365(e).

15. Subpart OOOO requires the owner/operator of a storage vessel affected facility to comply with certain emission control requirements:

- a. The owner/operator of a storage vessel affected facility must either: (i) reduce VOC emissions from the storage vessel by 95.0 percent; or (ii) maintain the uncontrolled actual VOC emissions from the storage vessel at less than four (4) tons per year without considering control. *See* 40 C.F.R. § 60.5395(d)(1)-(2).
- b. For a storage vessel subject to the 95.0 percent emission reduction requirement, the required emission reduction must be achieved by control requirements that include equipping the storage vessel with a cover that meets the requirements of 40 C.F.R. § 60.5411(b), connecting the storage vessel to a closed vent system that meets the requirements of 40 C.F.R. § 60.5411(c), and either: (i) routing the storage vessel vapors to a control device (such as an enclosed combustor) that meets certain requirements; or (ii) routing the storage vessel vapors to a process. 40 C.F.R. § 60.5395(e).

16. Subpart OOOO, at 40 C.F.R. § 60.5412(d), requires that each control device used to meet the emission reduction standard in 40 C.F.R. § 60.5395(d) for storage vessel affected facilities must be installed according to 40 C.F.R. § 60.5395(d)(1) through (3), as applicable. As an alternative to 40 C.F.R. § 60.5395(d)(1), owners/operators of storage vessel affected facilities may install a control device model tested under 40 C.F.R. § 60.5413(d), which meets the criteria in 40 C.F.R. § 60.5413(d)(11) and § 60.5413(e).

17. Subpart OOOO, at 40 C.F.R. § 60.5412(d)(1)(ii), requires that, for each enclosed combustion device, owners/operators must install and operate a continuous burning pilot flame.

18. Subpart OOOO, at 40 C.F.R. § 60.5413(e), requires that owners/operators of combustion control devices tested by the manufacturer demonstrate that the control device achieves the performance requirements in 40 C.F.R. § 60.5413(d)(11) by installing a device tested under 40 C.F.R. § 60.5413(d) and complying with the criteria specified in 40 C.F.R. § 60.5413(e)(1) through (7).

19. Subpart OOOO, at 40 C.F.R. § 60.5413(e)(2), requires that a pilot flame on the combustion control device must be present at all times of operation.

20. Subpart OOOO, at 40 C.F.R. § 60.5410(h), requires that owners/operators of storage vessel affected facilities comply with certain initial compliance demonstration requirements, as well as initial notification and annual reporting requirements:

- a. The owner/operator of a storage vessel affected facility must make a formal determination of its initial compliance with the standards applicable to the storage vessel. *See* 40 C.F.R. § 60.5410.
- b. For a Group 1 storage vessel, the owner/operator was required to demonstrate initial compliance by April 15, 2015. For a Group 2 storage vessel, the owner operator was required to demonstrate initial compliance by April 15, 2014, or within 60 days after startup, whichever was later. *See* 40 C.F.R. § 60.5410(h).
- c. The owner/operator of a storage vessel affected facility must retain records documenting initial compliance with the standards applicable to the storage vessel. *See* 40 C.F.R. § 60.5410(h)(5).
- d. The owner/operator of a storage vessel affected facility must submit annual reports containing specified information. *See* 40 C.F.R. § 60.5420. For a Group 1 storage vessel, an initial annual report was due by no later than January 15, 2014, with a notification identifying each Group 1 storage vessel. For a Group 2 storage vessel, an initial annual report was due by no later than July 14, 2014, or 120 days after startup (whichever was later). *See* 40 C.F.R. §§ 60.5395(b)(1), 60.5410, 60.5420(b); 78 Fed. Reg. 58,416 (Sept. 23, 2013).
- e. Among other things, each annual report must include: (i) an identification of each storage vessel affected facility for which construction, modification, or reconstruction commenced during the reporting period; and (ii) a statement that initial compliance with the applicable VOC emission reduction and control requirements has been achieved for the relevant storage vessel(s). *See* 40 C.F.R. § 60.5420(b)(6)(i), (v).

21. Subpart OOOO requires the owner/operator of a storage vessel affected facility to comply with additional monitoring and recordkeeping requirements:

- a. If vapors from a storage vessel affected facility are routed to a control device or a process, Subpart OOOO requires monthly olfactory, visual, and auditory inspections to identify defects in the storage vessel cover and closed vent system that could result in air emissions. *See* 40 C.F.R. § 60.5416(c)(1)-(2).
- b. Subpart OOOO also requires that the owner/operator maintain records of the results of these inspections. *See* 40 C.F.R. §§ 60.5416(c)(1)-(2), 60.5420(c)(6)-(7).

22. For a storage vessel not subject to a legally and practically enforceable limit on its potential for VOC emissions, the Subpart OOOO emission determination may exclude vapor from the storage vessel that is recovered and routed to a process through a vapor recovery unit designed and operated as specified in Subpart OOOO provided that: (i) the storage vessel meets the cover requirements specified in 40 C.F.R. § 60.5411(b); (ii) the storage vessel meets the closed vent system requirements specified in 40 C.F.R. § 60.5411(c); and (iii) the owner or operator of the storage vessel maintains records that document compliance with the cover requirements specified in 40 C.F.R. § 60.5411(b) and the closed vent system requirements specified in 40 C.F.R. § 60.5411(c) for the storage vessel. *See* 40 C.F.R. § 60.5365(e)(3).

23. If the original emission determination for a storage vessel excluded storage vessel vapor that would be recovered and routed to a process through a vapor recovery unit, the owner or operator must make a new emission determination calculating the storage vessel's potential for VOC emissions within 30 days if: (i) the storage vessel is operated without meeting the cover requirements specified in 40 C.F.R. § 60.5411(b); (ii) the storage vessel is operated without meeting the closed vent system requirements specified in 40 C.F.R. § 60.5411(c); or (iii) the vapor recovery unit is removed. *See* 40 C.F.R. § 60.5365(e)(3)(iv).

24. The cover requirements at 40 C.F.R. § 60.5411(b) require that covers on storage vessels meet certain requirements, including that the cover and all openings on the cover shall form a continuous impermeable barrier over the entire surface area of the liquid in the vessel; each cover opening shall be secured in a closed sealed position except when certain activities are ongoing; and that each storage vessel thief hatch shall be equipped, maintained, and operated with a weighted mechanism or equivalent, to ensure the lid remains properly seated.

25. The closed vent system requirements at 40 C.F.R. § 60.5411(c) require that the closed vent system is designed to route all gases, vapors, and fumes emitted from the material in the storage vessel to a control device that meets the requirements of 40 C.F.R. § 60.5412(c) and (d); and to design and operate a closed vent system with no detectable emissions, as determined using olfactory, visual, and auditory inspections.

26. The recordkeeping requirements at 40 C.F.R. § 60.5420(c) require that the owner/operator must maintain the records identified as specified in 40 C.F.R. § 60.7(f) and in paragraphs 40 C.F.R. § 60.5420(c)(1) through (14). All records required by Subpart OOOO must be maintained either onsite or at the nearest local field office for at least five years.

NSPS Subpart OOOOa

27. In 2016, EPA promulgated additional NSPS regulations for the crude oil and natural gas production, transmission, and distribution industry sector, which were codified at Subpart OOOOa. 81 Fed Reg. 35,898 (June 3, 2016).

28. Subpart OOOOa establishes emission standards for the control of VOC, sulfur dioxide emissions, and greenhouse gas emissions in the form of methane from various types of oil and natural gas production, processing, transmission, storage, and distribution equipment constructed, modified, or reconstructed after September 18, 2015, including storage vessels.

29. Subpart OOOOa, at 40 C.F.R. § 60.5430a, defines “storage vessel” as a tank or other vessel that contains an accumulation of crude oil, condensate, intermediate hydrocarbon liquids, or produced water, and that is constructed primarily of non-earthen materials (such as wood, concrete, steel, fiberglass, or plastic) which provide structural support.

30. A storage vessel is an affected facility subject to Subpart OOOOa requirements if construction, modification, or reconstruction of the storage vessel was commenced after September 18, 2015, and if a properly performed emission determination indicates that the storage vessel has the potential for VOC emissions equal to or greater than six (6) tons per year. *See* 40 C.F.R. § 60.5365a(e). A storage vessel meeting these criteria is defined as a “storage vessel affected facility.”

31. A storage vessel affected facility that subsequently has its potential for VOC emissions decrease to less than six (6) tons per year shall remain an affected facility under Subpart OOOOa. *See* 40 C.F.R. § 60.5365a(e)(2).

32. The potential for VOC emissions from a storage vessel must be calculated using a generally accepted model or calculation methodology, based on the maximum average daily throughput determined for a 30-day period of production prior to August 2, 2016, or within 60 days after startup (whichever was later). *See* 40 C.F.R. §§ 60.5365a(e), 60.5410a(h)(1).

33. In calculating the potential VOC emissions from a storage vessel, the determination may take into account requirements under a legally and practically enforceable limit in an operating permit or other requirement established under a federal, state, local or tribal authority. *See* 40 C.F.R. § 60.5365a(e).

34. Subpart OOOOa requires the owner/operator of a storage vessel affected facility generally either (i) to reduce VOC emissions by 95.0 percent within 60 days after startup; or (ii) after 12 consecutive months of reducing VOC emissions by 95.0 percent, to maintain the uncontrolled actual VOC emissions from the storage vessel affected facility at less than four (4) tons per year without considering control. *See* 40 C.F.R. § 60.5395a(a)(2)-(3).

35. Subpart OOOOa, at 40 C.F.R. § 60.5415a(e), provides that the owner/operator using a control device or routing emissions to a process for a storage vessel affected facility must

meet the following requirements to demonstrate continuous compliance with 40 C.F.R. § 60.5395a(a)(2):

- a. For each storage vessel affected facility, the owner/operator must reduce VOC emissions as specified in 40 C.F.R. § 60.5395a(a)(2) (i.e. by 95.0 percent within 60 days after startup); and
- b. For each control device installed to meet the requirements of 40 C.F.R. § 60.5395a(a)(2), the owner/operator must demonstrate continuous compliance with the performance requirements of 40 C.F.R. § 60.5412a(d) for each storage vessel affected facility by: (i) complying with 40 C.F.R. § 60.5416a(c) for each cover and closed vent system; and either (ii) complying with 40 C.F.R. § 60.5417a(h) for each control device; or (iii) operating each closed vent system that routes emissions to a process unit as specified in 40 C.F.R. § 60.5411a(c)(2) and (3).

36. If the original emission determination for a storage vessel excluded storage vessel vapor that would be recovered and routed to a process through a vapor recovery unit, the owner or operator must make a new emission determination calculating the storage vessel's potential for VOC emissions within 30 days if: (i) the storage vessel is operated without meeting the cover requirements specified in 40 C.F.R. § 60.5411a(b); (ii) the storage vessel is operated without meeting the closed vent system requirements specified in 40 C.F.R. § 60.5411a(c) and (d); or (iii) the vapor recovery unit is removed. *See* 40 C.F.R. § 60.5365a(e)(3).

37. The cover requirements at 40 C.F.R. § 60.5411a(b) require that covers on storage vessels meet certain requirements, including that the cover and all openings on the cover shall form a continuous impermeable barrier over the entire surface area of the liquid in the vessel; each cover opening shall be secured in a closed, sealed position except when certain activities are ongoing; and that each storage vessel thief hatch shall be equipped, maintained, and operated with a weighted mechanism or equivalent, to ensure the lid remains properly seated and sealed under normal operating conditions.

38. The closed vent system requirements at 40 C.F.R. § 60.5411a(c) require that the closed vent system is designed to route all gases, vapors, and fumes emitted from the material in the storage vessel to a control device that meets the requirements of 40 C.F.R. § 60.5412a(c) and (d); and to design and operate a closed vent system with no detectable emissions, as determined using olfactory, visual, and auditory inspections.

39. The closed vent system requirements at 40 C.F.R. § 60.5411a(d) require the owner/operator to conduct an assessment that the closed system is of sufficient design and capacity to ensure that all emissions from the storage vessel are routed to the control device and that the control device is of sufficient design and capacity to accommodate all emissions from the affected facility and have it certified by a qualified professional engineer in accordance with 40 C.F.R. § 5411a(d)(1)(i) and (ii).

40. Subpart OOOOa, at 40 C.F.R. § 60.5416a(c)(4), provides that, in the event that a leak or defect is detected, the owner/operator must repair the leak or defect as soon as practicable according to the following (except as provided by 40 C.F.R. § 60.5416a(c)(5)): (i) a first attempt at repair must be made no later than five (5) calendar days after the leak is detected; (ii) repair must be completed no later than thirty (30) calendar days after the leak is detected; and (iii) grease or another applicable substance must be applied to deteriorating or cracked gaskets to improve the seal while awaiting repair.

41. Each control device used to comply with the emission reduction standard in 40 C.F.R. § 60.5395a(a)(2) for a storage vessel affected facility must be installed in accordance with 40 C.F.R. § 60.5412a(d)(1) through (4), as applicable. As an alternative to 40 C.F.R. § 60.5412a(d)(1), the owner/operator may install a control device model tested under 40 C.F.R. § 60.5413a(d), which meets the criteria in 40 C.F.R. § 60.5413a(d)(11) and meets the continuous compliance requirements in 40 C.F.R. § 60.5413a(e). *See* 40 C.F.R. § 60.5412a(d).

42. Subpart OOOOa, at 40 C.F.R. § 60.5412a(d)(1)(iii), provides that, for each combustion control device, the owner/operator must operate the device with no visible emissions, except for periods not to exceed a total of 1 minute during any 15-minute period. A visible emissions test conducted according to section 11 of EPA Method 22 of appendix A-7 of Subpart OOOOa must be performed at least once every calendar month, separated by at least 15 days between each test. The observation period of the visible emissions test shall be 15 minutes.

43. For each control device used to comply with the emission reduction standard in 40 C.F.R. § 60.5395a(a)(2) for a storage vessel affected facility, the owner/operator must demonstrate continuous compliance according to 40 C.F.R. § 60.5417a(h)(1) through (h)(4). *See* 40 C.F.R. § 60.5417a(h). The owner/operator is exempt from the requirements of 40 C.F.R. § 60.5417a(h) if the owner/operator installs a control device model tested in accordance with 40 C.F.R. § 60.5413a(d)(2) through (10), which meets the criteria in 40 C.F.R. § 60.5413a(d)(11), the reporting requirement in 40 C.F.R. § 60.5413a(d)(12), and the continuous compliance requirement in 40 C.F.R. § 60.5413a(e).

44. Combustion control devices tested by the manufacturer in accordance with 40 C.F.R. § 60.5413a(d) must be operated with no visible emissions, except for periods not to exceed a total of 1 minute during any 15-minute period. A visible emissions test conducted according to section 11 of EPA Method 22 of appendix A-7 of Subpart OOOOa must be performed at least once every calendar month, separated by at least 15 days between each test. The observation period shall be 15 minutes. *See* 40 C.F.R. § 60.5413a(e)(3).

45. A deviation for a given control device is determined to have occurred when the monitoring data or lack of monitoring data result in any one of the criteria specified in 40 C.F.R. § 60.5417a(g)(1) through (6) being met. If the owner/operator monitors multiple operating parameters for the same control device during the same operating day and more than one of these operating parameters meets a deviation criterion specified in paragraphs 40 C.F.R. § 60.5417a(g)(1) through (6), then a single excursion is determined to have occurred for the control device for that operating day. *See* 40 C.F.R. § 60.5417a(g).

46. Subpart OOOOa, at 40 C.F.R. § 60.5430a, defines “fugitive emissions component” as any component that has the potential to emit fugitive emissions of VOC at a well site, including but not limited to valves, connectors, pressure relief devices, open-ended lines, flanges, covers and closed vent systems not subject to 40 C.F.R. § 60.5411a, thief hatches or other openings on a controlled storage vessel not subject to 40 C.F.R. § 5395a, compressors, instruments, and meters. Emissions originating from other than the vent, such as the thief hatch on a controlled storage vessel, would be considered fugitive emissions.

47. Subpart OOOOa, at 40 C.F.R. § 60.5430a, defines a “well site” as one or more surface sites that are constructed for the drilling and subsequent operation of any oil well, natural gas well, or injection well. For purposes of the fugitive emissions standards at 40 C.F.R. § 60.5397a, a well site also means a separate tank battery surface site collecting crude oil, condensate, intermediate hydrocarbon liquids, or produced water from wells not located at the well site (e.g. centralized tank batteries).

48. Subpart OOOOa, at 40 C.F.R. § 60.5365a(i), provides that the collection of fugitive emissions components at a well site, as defined in 40 C.F.R. § 60.5430a, is an affected facility, except as provided in 40 C.F.R. § 60.5365a(i)(2) (i.e. a well site that only contains one or more wellheads).

49. Subpart OOOOa, at 40 C.F.R. § 60.5415a(h), provides that, for each collection of fugitive emissions components at a well site, the owner/operator must demonstrate continuous compliance with the fugitive emission standards in 40 C.F.R. § 60.5397a according to the following requirements: (i) the owner/operator must conduct periodic monitoring surveys as required in 40 C.F.R. § 60.5397a(g); (ii) the owner/operator must repair or replace each identified source of fugitive emissions as required in 40 C.F.R. § 60.5397a(h); (iii) the owner/operator must maintain records as specified in 40 C.F.R. § 60.5420a(c)(15); and (iv) the owner/operator must submit annual reports for the collection of fugitive emissions components at a well site as required in 40 C.F.R. § 60.5420a(b)(1) and (7).

50. Subpart OOOOa, at 40 C.F.R. § 60.5397a(a), provides that the owner/operator must monitor all fugitive emission components in accordance with paragraphs 40 C.F.R. § 60.5397a(b) through (g). The owner/operator must keep records in accordance with 40 C.F.R. § 60.5397a(i) and report in accordance with 40 C.F.R. § 60.5397a(j). Fugitive emissions are defined in 40 C.F.R. § 60.5397a(a) as: Any visible emission from a fugitive emissions component observed using optical gas imaging or an instrument reading of 500 ppm or greater using EPA Method 21.

51. Subpart OOOOa, at 40 C.F.R. § 60.5397a(b), requires the owner/operator to develop an emissions monitoring plan that covers the collection of fugitive emissions components at well sites with each company-defined area in accordance with 40 C.F.R. § 60.5397a(c) and (d).

52. Subpart OOOOa, at 40 C.F.R. §§ 60.5397a(c) and 60.5397a(d), provides that a fugitive emissions monitoring plan must include the elements specified in 40 C.F.R. § 60.5397a(c)(1) through (8) and the elements specified in 40 C.F.R. § 60.5397a(d)(1)

through (4), at a minimum.

53. Subpart OOOOa, at 40 C.F.R. § 60.5397a(h), provides that each identified source of fugitive emissions shall be repaired or replaced in accordance with 40 C.F.R. § 60.5397a(h)(1) and (2). For fugitive emissions components also subject to the repair provisions of 40 C.F.R. § 60.5416a(b)(9) through (12) and (c)(4) through (7), those provisions apply instead to those closed vent systems and covers, and the repair provisions of 40 C.F.R. § 60.5397a(h)(1) and (2) do not apply to those closed vent systems and covers.

54. Subpart OOOOa, at 40 C.F.R. § 60.5397a(h)(1), provides that each identified source of fugitive emissions shall be repaired or replaced as soon as practicable, but no later than thirty (30) calendar days after detection of the fugitive emissions.

55. Subpart OOOOa, at 40 C.F.R. § 60.5397a(h)(3), provides that each repaired or replaced fugitive emissions component must be resurveyed as soon as practicable, but no later than thirty (30) days after being repaired, to ensure that there are no fugitive emissions.

56. Subpart OOOOa, at 40 C.F.R. § 60.5397a(h)(3)(iii), provides that operators that use EPA Method 21 to resurvey the repaired fugitive emissions components are subject to the resurvey provisions specified in Subpart OOOOa, at 40 C.F.R. § 60.5397a(h)(3)(iii)(A) and (B).

57. The recordkeeping requirements at 40 C.F.R. § 60.5420a(c) require that the owner/operator must maintain the records identified as specified in 40 C.F.R. § 60.7(f) and in paragraphs 40 C.F.R. § 60.5420a(c)(1) through (14). All records required by Subpart OOOO must be maintained either onsite or at the nearest local field office for at least five (5) years

Northwest Gas Processing, LLC (NWGP) Permit to Construct

58. Idaho Department of Environmental Quality ("DEQ") issued a Permit to Construct, PTC No. P-2013.0059 Project 61908, on October 27, 2017 (2017 NWGP PTC) for the Northwest Gas Processing Facility. The 2017 NWGP PTC was issued to NWGP. The 2017 NWGP PTC is a modification of and replaces the previous permit identified as PTC No. P-2013.0059 that was issued on April 10, 2015.

59. The 2017 NWGP PTC, at Condition 2.8, provides the facility shall be equipped with a vapor recovery unit system designed to collect the total organic compound vapors displaced from tank trucks during product loading and from the condensate storage tanks.

60. The 2017 NWGP PTC, at Condition 2.61, provides that, in accordance with 40 C.F.R. § 60.482-10a(d), flares used to comply with 40 C.F.R. Part 60, Subpart VVa shall comply with the requirements of 40 C.F.R. § 60.18.

61. The 2017 NWGP PTC, at Condition 2.147, provides that, in accordance with 40 C.F.R. § 60.5420(c), the permittee must maintain the records identified as specified in 40 C.F.R. § 60.7(f) and as identified at 40 C.F.R. § 60.5420(c)(1) and (4). All such records must be maintained either onsite or at the nearest local field office for at least five (5) years.

62. The 2017 NWGP PTC, at Condition 4.10, provides that the permittee shall maintain sufficient records to ensure compliance with all of the terms and conditions of the permit. All monitoring records and support information shall be retained for a period of at least five (5) years from the date of the monitoring sample, measurement, report, or application.

Little Willow Road Gathering Station Permit to Construct

63. Idaho DEQ issued a Permit to Construct, PTC No. P-2015.0015 Project 61636, on February 22, 2016 (2016 Little Willow PTC) for Alta Mesa' Little Willow Gathering Station. The 2016 Little Willow PTC was issued to Alta Mesa Services, LP ("Alta Mesa Services"). The 2016 Little Willow PTC is a modification of and replaces the previous permit identified as PTC No. P-2015.0015 that was issued on November 18, 2015.

64. The 2016 Little Willow PTC, at Condition 2.6, provides the facility shall be equipped to collect the total organic compound vapors displaced from tank trucks during loading and from the oil tanks.

65. The 2016 Little Willow PTC, at Condition 2.8, provides the permittee shall conduct a quarterly facility-wide inspection of potential sources of visible emissions. The permittee shall maintain records of the results of each visible emission inspection and each opacity test when conducted.

66. The 2016 Little Willow PTC, at Condition 4.10, provides that the permittee shall maintain sufficient records to ensure compliance with all of the terms and conditions of this permit. All monitoring records and support information shall be retained for a period of at least five (5) years from the date of the monitoring sample, measurement, report, or application.

Relevant Factual Background

67. Alta Mesa Services is incorporated in the State of Texas and was authorized to do business in the State of Idaho during the time period relevant to the violations of Subparts OOOO and OOOOa and the 2016 Little Willow and 2017 NWGP PTCs described below.

68. NWGP is incorporated in the State of Delaware and does business in the State of Idaho.

69. High Mesa Services, LLC ("High Mesa") is incorporated in the State of Delaware and does business in the State of Idaho.

70. Alta Mesa Services, NWGP, and High Mesa maintain corporate offices located at 15021 Katy Freeway, Suite 400, Houston, Texas.

71. Alta Mesa Services, NWGP, and High Mesa are "persons" within the meaning of Section 302(e) of the CAA, 42 U.S.C. § 7602(e).

72. During the time period relevant to the violations of Subparts OOOO and OOOOa and the 2016 Little Willow PTC described below, Alta Mesa Services, NWGP, and/or High

Mesa owned or operated the Little Willow Road Gathering Station located at 4649 Little Willow Road, New Plymouth, Idaho (Little Willow Station).

73. During the time period relevant to the violations of Subpart OOOO and the 2017 NWGP PTC described below, Alta Mesa Services, NWGP, and/or High Mesa owned or operated the Northwest Gas Processing Facility located at 4303 Highway 30 South, New Plymouth, Idaho (NWGP Facility).

74. NWGP and/or High Mesa currently owns and operates Little Willow Station and the NWGP Facility.

75. During the time period relevant to the violations of Subparts OOOO and OOOOa and the 2016 Little Willow PTC and 2017 NWGP PTC described below, Alta Mesa Services, NWGP, and/or High Mesa owned and operated several oil and natural gas well pads in Adams county in Idaho. NWGP and/or High Mesa currently owns and operates such wells. Production fluids collected at the well pads are transferred to the Little Willow Station, where gas, oil, and water are separated.

76. The term "Alta Mesa," as used in the remaining allegations and the violations of Subparts OOOO and OOOOa and the 2016 Little Willow PTC described below, refers to Alta Mesa Services, NWGP, and/or High Mesa.

77. The Little Willow Station was issued the 2016 Little Willow PTC on February 22, 2016, for modifications to equipment at the facility.

78. The NWGP Facility was issued the 2017 NWGP PTC on October 27, 2017, for modifications to equipment at the facility.

79. On July 10-11, 2018, EPA staff inspected and observed the Little Willow Station and NWGP Facility.

80. The NWGP Facility includes storage vessels that contain an accumulation of condensate, and that are constructed primarily of non-earthen materials.

81. The Little Willow Station includes storage vessels that contain an accumulation of crude oil and produced water, and that are constructed primarily of non-earthen materials. In addition, the Little Willow Station is a separate tank battery surface site collecting crude oil and produced water from wells not located at Little Willow Station.

82. The storage vessels at the NWGP Facility were all constructed after April 12, 2013 but before September 18, 2015.

83. The storage vessels at Little Willow Station were either constructed (i) between August 23, 2011 and on or before September 18, 2015; or (ii) after September 18, 2015.

84. The storage vessels at the NWGP Facility and Little Willow Station all had the potential for VOC emissions equal to or greater than six (6) tons per year for a 30-day period of production prior to the applicable emission determination deadline as specified in Subparts OOOO and OOOOa.

85. On information and belief, the vapor recovery unit is not designed to collect the total organic compound vapor from storage vessels at the NWGP Facility.

86. On information and belief, the vapor combustor is not designed to collect the total organic compound vapors from the storage vessels at the Little Willow Station.

87. The 2017 NWGP PTC issued for the NWGP Facility and the 2016 Little Willow PTC issued for Little Willow Station include no legally and practically enforceable voluntary limits to restrict the potential VOC emissions from each storage vessel to less than six (6) tons per year.

88. During the July 2018 inspection, EPA inspectors detected emissions from pressure relief devices on nine of ten storage vessels at the NWGP Facility. EPA inspectors also detected emissions at a check valve located on the closed vent system used to route emissions from the storage vessels at the NWGP Facility.

89. During the July 2018 inspection, at the NWGP Facility, EPA inspectors observed large quantities of uncombusted hydrocarbon emissions leaving the flare. EPA inspectors requested information regarding operation of the flare, including a description of operations at the on-site flares, the net heating value of vent gas being sent to the flare, and the hydrogen content and exit velocity of the gas stream for the time period of the July 2018 inspection. Alta Mesa did not provide this information.

90. During the July 2018 inspection, EPA inspectors detected emissions from pressure relief devices on six produced water storage vessels and one oil storage vessel at the Little Willow Station.

91. Records of optical gas imaging inspections for Little Willow Station's produced water tanks and crude oil tank from June 25, 2018 were collected by EPA inspectors as part of the July 2018 inspection. The inspection records show that each of the pressure relief devices were found leaking on June 25, 2018. The inspection records also show that the pressure relief devices were not resurveyed in accordance with EPA Method 21.

92. Based on correspondence with Alta Mesa staff in August 2018, the pressure relief devices identified in Paragraphs 90 and 91 were not repaired within 30 days.

93. During the July 2018 inspection, EPA inspectors observed visible emissions from the vapor combustor used to control emissions from the six oil storage vessels at the Little Willow Station. Visible emissions were observed for at least three minutes and over the duration of the site visit.

94. During the July 2018 inspection, for the Little Willow Station, EPA inspectors requested three months of EPA Method 22 inspection records for the vapor combustor. Alta Mesa did not provide the requested records during or following the July 2018 inspection.

95. During the July 2018 inspection, for the Little Willow Station, EPA inspectors requested the site-specific fugitive emissions monitoring plan. Alta Mesa did not provide the document during the inspection. Following the inspection, on August 13, 2018, Alta Mesa provided an incomplete fugitive emissions monitoring plan for the Little Willow Station.

96. In April 2019, EPA issued to Alta Mesa an information request under Section 114 of the CAA (2019 Information Request). EPA requested, among other things, emissions evaluations of the storage vessels, operation records for air pollution control devices, visible emission inspection records, equipment leak repair records, closed vent system inspection records, and other records required to demonstrate compliance with permit requirements and Subparts OOOO and OOOOa, as applicable, from both the Little Willow Station and the NWGP Facility.

97. Alta Mesa did not submit documents responsive to EPA's 2019 Information Request.

Little Willow Violations

98. Alta Mesa's failure to provide EPA with information requested in the 2019 Information Request constitutes a violation of the recordkeeping, inspections, monitoring, and entry provision at Section 114(a) of the CAA, U.S.C. § 7414(a).

99. Alta Mesa's failure to provide EPA with information requested during the July 2018 inspection constitutes a failure to maintain records required by Subpart OOOOa onsite or at the nearest local field office for at least five years, violating (i) 40 C.F.R. §§ 60.5420a(c) and 60.5420(c) and Section 111 of the CAA, 42 U.S.C. § 7411; and (ii) 2016 Little Willow PTC Condition 4.10 and Section 110 of the CAA, 42 U.S.C. § 7410.

100. Based on Alta Mesa's original emission determination for the storage vessels at the Little Willow Station, Alta Mesa failed to correctly calculate Subparts OOOO and OOOOa emission determinations, violating the requirements of 40 C.F.R. §§ 60.5365(e) and 60.5365a(e) and Section 111 of the CAA, 42 U.S.C. § 7411.

101. Alta Mesa did not make a Subparts OOOO and OOOOa initial notification for each storage vessel affected facility at the Little Willow Station. Alta Mesa has thereby violated requirements of 40 C.F.R. §§ 60.5420(b)(6) and Section 111 of the CAA, 42 U.S.C. § 7411.

102. Alta Mesa has not submitted Subpart OOOO and OOOOa annual reports for each storage vessel affected facility at the Little Willow Station. Alta Mesa has thereby violated and continues to violate requirements of 40 C.F.R. §§ 60.5420(b)(6) and 60.5420a(b)(6) and Section 111 of the CAA, 42 U.S.C. § 7411.

103. Alta Mesa has not performed periodic Subparts OOOO and OOOOa inspections of each storage vessel affected facility's cover and closed vent system at the Little Willow Station. Alta Mesa has thereby violated and continues to violate requirements of 40 C.F.R. §§ 60.5416(c) and 60.5416a(c) and Section 111 of the CAA, 42 U.S.C. § 7411.

104. Alta Mesa has not maintained required records regarding Subparts OOOO and OOOOa compliance for each storage vessel affected facility at the Little Willow Station, including records documenting compliance with the cover requirements and closed vent system requirements specified in 40 C.F.R. §§ 60.5411(b)-(c) and 60.5411a(b)-(c). Alta Mesa has thereby violated requirements of 40 C.F.R. §§ 60.5410(h) and 60.5420(c); 40 C.F.R. §§ 60.5410a(h) and 60.5420a(c); and Section 111 of the CAA, 42 U.S.C. § 7411.

105. Alta Mesa has not maintained continuous compliance with the Subparts OOOO and OOOOa emission control requirements applicable to each storage vessel at the Little Willow Station, including cover and closed vent system design and operation requirements. Alta Mesa has thereby violated and continues to violate requirements of 40 C.F.R. §§ 60.5395(c) and (e), 60.5411(b) and (c); 40 C.F.R. §§ 60.5395a(b) and (e), 60.5411a(b) and (c); and Section 111 of the CAA, 42 U.S.C. § 7411.

106. Alta Mesa's storage vessels at the Little Willow Station are affected facilities under Subparts OOOO and OOOOa, and based on the above described detectable emissions from storage vessels observed by EPA staff, Alta Mesa has failed to ensure that the covers on its storage vessels meet certain requirements, including that the covers and all openings shall form a continuous impermeable barrier over the entire surface area of the liquid in the vessel, and that each cover opening shall be secured in a closed, sealed position except when certain activities are ongoing. Alta Mesa has thereby violated and continues to violate the requirements of 40 C.F.R. §§ 60.5411(b) and 60.5411a(b) and Section 111 of the CAA, 42 U.S.C. § 7411.

107. Based on the above described detectable emissions from storage vessels observed by EPA staff, Alta Mesa has failed to design its closed vent systems to route all gases, vapors, and fumes emitted from the material in the storage vessels to a control device, and to design and operate closed vent systems with no detectable emissions, as determined using olfactory, visual, and auditory inspections. Alta Mesa has thereby violated and continues to violate the requirements of 40 C.F.R. §§ 60.5411(c) and 60.5411a(c) and Section 111 of the CAA, 42 U.S.C. § 7411.

108. Based on the above described detectable emissions from storage vessels observed by EPA staff, Alta Mesa has failed to design its vapor combustor system to collect the total organic compound vapors displaced from the oil storage tanks. Alta Mesa has thereby violated and continues to violate the requirements of 2016 Little Willow PTC Condition 2.6.

109. Based on, among other things, Alta Mesa's failure to meet certain cover, closed vent and control device requirements, demonstrated by the above described detectable emissions from storage vessels observed by EPA staff, Alta Mesa has failed to demonstrate initial compliance at the storage vessel affected facilities at the NWGP Facility. Alta Mesa has thereby

violated and continues to violate the requirements of 40 C.F.R. §§ 60.5410(h) and 60.5410a(h) and Section 111 of the CAA, 42 U.S.C. § 7411.

110. Alta Mesa's failure to develop an emissions monitoring plan that covers the collection of fugitive emissions components, by August 2, 2016 or upon initial startup, whichever is later, is a violation of 40 C.F.R. § 60.5397(b) and 60.5410(j)(1); 40 C.F.R. § 60.5397a(b) and 60.5410a(j)(1); and Section 111 of the CAA, 42 U.S.C. § 7411.

111. Alta Mesa's failure to develop an emissions monitoring plan that covers the collection of fugitive emissions components at Little Willow Station and that includes the elements specified in 40 C.F.R. § 60.5397a(c)(1)-(8) and 60.5397a(d)(1)-(4) is a violation of 40 C.F.R. § 60.5397a(c) and (d) and Section 111 of the CAA, 42 U.S.C. § 7411.

112. Alta Mesa failed to repair or replace each identified source of fugitive emissions as soon as practicable, but no later than 30 calendar days after detection of the fugitive emissions, in violation of 40 C.F.R. § 60.5397a(h).

113. Alta Mesa failed to repair or replace each identified leak as soon as practicable, but no later than 30 calendar days after detection of the leak, in violation of 40 C.F.R. § 60.5416a(c)(4).

114. Alta Mesa failed to resurvey each repaired or replaced fugitive emissions component as soon as practicable to ensure there are no fugitive emissions, in violation of 40 C.F.R. § 60.5397a(h)(3).

115. Alta Mesa failed to conduct inspections to monitor for visible emissions at each combustion device at least once every calendar month, in violation of Subpart OOOOa at 40 C.F.R. § 60.5417a(h) and (h)(1)(ii).

116. Alta Mesa's oil storage vessels at the Little Willow Station are subject to Subpart OOOOa, and based on Alta Mesa's failure to operate its combustion control devices with no visible emissions, Alta Mesa has violated and continues to violate 40 C.F.R. § 60.5412a(d)(1)(iii) or 40 C.F.R. § 60.5417a(h) and 40 C.F.R. § 60.5413a(e)(3).

NWGP Facility Violations

117. Alta Mesa's failure to provide EPA with information requested in the 2019 Information Request constitutes a violation of the recordkeeping, inspections, monitoring, and entry provision at Section 114(a) of the CAA, U.S.C. § 7414(a).

118. Alta Mesa failed to provide EPA with information requested during the July 2018 inspection and therefore failed to maintain records required by Subpart OOOO onsite or at the nearest local field office for at least five years, violating 40 C.F.R. § 60.5420(c) and Section 111 of the CAA, 42 U.S.C. § 7411; and 2017 NWGP PTC Conditions 2.147 and 4.10 and Section 110 of the CAA, 42 U.S.C. § 7410.

119. Based on Alta Mesa's original emission determination for the storage vessels at the NWGP Facility, Alta Mesa failed to correctly calculate its Subpart OOOO emission determination, violating the requirements of 40 C.F.R. § 60.5365(e) and Section 111 of the CAA, 42 U.S.C. § 7411.

120. If Alta Mesa's original emission determination for the storage vessels at the NWGP Facility excluded storage vessel vapor that would be recovered and routed to a process through a vapor recovery unit, then by failing to make a Subpart OOOO emission determination for each storage vessel at the NWGP Facility after the storage vessel was operated without meeting: (i) the cover requirements specified in 40 C.F.R. § 60.5411(b); and/or (ii) the closed vent system requirements specified in 40 C.F.R. § 60.5411(c), Alta Mesa violated the requirements of 40 C.F.R. § 60.5365(e)(3) and Section 111 of the CAA, 42 U.S.C. § 7411.

121. Alta Mesa did not make a Subpart OOOO initial notification for each storage vessel affected facility at the NWGP Facility. Alta Mesa has thereby violated requirements of 40 C.F.R. § 60.5420(b)(6) and Section 111 of the CAA, 42 U.S.C. § 7411.

122. Alta Mesa has not submitted Subpart OOOO annual reports for each storage vessel affected facility at the NWGP Facility. Alta Mesa has thereby violated and continues to violate the requirements of 40 C.F.R. § 60.5420(b)(6) and Section 111 of the CAA, 42 U.S.C. § 7411.

123. Alta Mesa has not performed periodic Subpart OOOO inspections of each storage vessel affected facility's cover and closed vent system at the NWGP Facility. Alta Mesa has thereby violated and continues to violate the requirements of 40 C.F.R. § 60.5416(c) and Section 111 of the CAA, 42 U.S.C. § 7411.

124. Alta Mesa has not maintained required records regarding Subpart OOOO compliance for each storage vessel affected facility at the NWGP Facility, including records documenting compliance with the cover requirements and closed vent system requirements specified in 40 C.F.R. § 60.5411(b)-(c). Alta Mesa has thereby violated requirements of 40 C.F.R. §§ 60.5410(h) and 60.5420(c) and Section 111 of the CAA, 42 U.S.C. § 7411.

125. If Alta Mesa's original emission determination for the storage vessel excluded storage vessel vapor that would be recovered and routed to a process through a vapor recovery unit, then Alta Mesa's failure to maintain required records violated the requirements of 40 C.F.R. § 60.5365(e)(3)(iii) and Section 111 of the CAA, 42 U.S.C. § 7411.

126. Alta Mesa has not maintained continuous compliance with the Subpart OOOO emission control requirements applicable to each storage vessel at the NWGP Facility, including cover and closed vent system design and operation requirements. Alta Mesa has thereby violated and continues to violate the requirements of 40 C.F.R. §§ 60.5395(c) and (e), 60.5411(b) and (c), and Section 111 of the CAA, 42 U.S.C. § 7411.

127. Alta Mesa's storage vessels at the NWGP Facility are affected facilities under Subpart OOOO, and based on the above described detectable emissions from storage vessels

observed by EPA staff, Alta Mesa has failed to ensure that the covers on its storage vessels meet certain requirements, including that the covers and all openings shall form a continuous impermeable barrier over the entire surface area of the liquid in the vessel, and that each cover opening shall be secured in a closed, sealed position except when certain activities are ongoing. Alta Mesa has thereby violated and continues to violate the requirements of 40 C.F.R. § 60.5411(b) and Section 111 of the CAA, 42 U.S.C. § 7411.

128. Based on the above described detectable emissions from storage vessels observed by EPA staff, Alta Mesa has failed to design its closed vent systems to route all gases, vapors, and fumes emitted from the material in the storage vessels to a control device, and to design and operate closed vent systems with no detectable emissions, as determined using olfactory, visual, and auditory inspections. Alta Mesa has thereby violated and continues to violate the requirements of 40 C.F.R. § 60.5411(c) and Section 111 of the CAA, 42 U.S.C. § 7411.

129. Based on the above described detectable emissions from storage vessels observed by EPA staff, Alta Mesa has failed to design its vapor recovery unit system to collect the total organic compound vapors displaced from the condensate storage tanks. Alta Mesa has thereby violated and continues to violate the requirements of 2017 NWGP PTC Condition 2.8.

130. Based on, among other things, Alta Mesa's failure to meet certain cover, closed vent and control device requirements, demonstrated by the above described detectable emissions from storage vessels observed by EPA staff, Alta Mesa has failed to demonstrate initial compliance at the storage vessel affected facilities at the NWGP Facility. Alta Mesa has thereby violated and continues to violate the requirements of 40 C.F.R. § 60.5410(h) and Section 111 of the CAA, 42 U.S.C. § 7411.

Environmental Impact of Violations

131. These violations have caused or can cause excess emissions of VOC and methane.

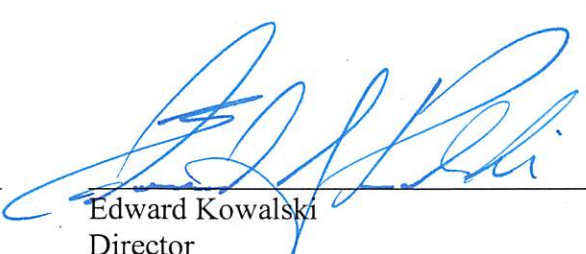
132. Excess VOC emissions can cause eye, nose, and throat irritation, headaches, loss of coordination, nausea and damage to liver, kidney and the central nervous system.

133. VOC emissions are a precursor to ground-level ozone. Breathing ozone contributes to a variety of health problems including chest pain, coughing, throat irritation and congestion. It can worsen bronchitis, emphysema, and asthma. Ground-level ozone also can reduce lung function and inflame lung tissue.

134. Methane is a potent greenhouse gas, and emissions of methane contribute to climate change.

Date

1/7/2020



Edward Kowalski
Director

Enforcement and Compliance Assurance Division